

- Good evening. My name is Ray Lang. I am the Director of State and Local Government Affairs for Amtrak, based in Chicago. It is a pleasure to be here with you tonight.
- As you know, Amtrak operates a number of trains in Michigan each day. Two of these trains, the *Blue Water* and the *Pere Marquette* are funded entirely by the State of Michigan, through a contract between Amtrak and the Michigan Department of Transportation. Michigan is one of 13 states around the country that contract with Amtrak to provide rail passenger service.
- The cost of the state-supported service in Michigan for the current year is \$7.1 million. For FY'06, Amtrak estimates that the cost will be the same, despite a significant increase in fuel charges and other minor inflationary cost increases. Amtrak has been able to hold the line on the overall cost of the service thanks in large part to strong ridership and revenue increases on the trains during the last year. In FY'04, the Chicago-Grand Rapids *Pere Marquette* set an all-time ridership record, and the Chicago-Port Huron *Blue Water*, which operated on a different schedule until late April, saw significant ridership increases after the schedule change. In fact, for the first five

months of FY'05, ridership on the two state supported Michigan services is up by nearly 20% on the *Blue Water* and by nearly 15% on the *Pere Marquette*.

- The ridership increases on the *Pere Marquette* can be attributed to a number of factors, the most significant of which is the hard work of the local grass roots marketing organization, WESTRAIN. As you may know, WESTRAIN is a coalition of community officials and activists that market and promote the train. The organization is funded each year by a \$100,000 state grant, which is used to purchase local advertising in the communities along the route. I cannot stress how impressed Amtrak is with the work of WESTRAIN. It serves as a model for other grass roots organizations that are emerging to promote Amtrak trains nationwide. In fact, thanks to another grant from the legislature this year, a new organization has been formed to market and promote the *Blue Water*.
- Amtrak remains very optimistic that ridership will continue to grow on all of our Michigan services. A new station is slated to open in New Buffalo later this year, and a major station renovation project is

nearing completion in Bangor. Furthermore, we expect to see speed increases on the Chicago-Detroit high-speed corridor this summer when we raise train speeds to 100 mph on a portion of that line. With so many good things happening, I hope that Amtrak and MDOT will continue to have the support of the legislature in the coming year.

- Thank you. I'll be happy to take any questions.